PM 2: 17

April 4, 2005

Ms. Kathleen Finn
USDA Agricultural Marketing Service
South Agriculture Building
1400 Independence Avenue, SW, Room 2530
Washington, DC 20250-0201

Dear Ms. Finn:

We would like to express our appreciation for this opportunity to provide further comment on one of the proposals for changes to the regulations governing the Peach Commodity Committee and the Nectarine Administrative Committee. As you know, public feedback regarding any proposed change is very important as we continually strive to improve the flexibility and effectiveness of these important programs. We value the input of both industry members and other interested parties such as the consumers of our fruit, retailers, wholesalers, importers and others.

After over two years of deliberations and numerous public meetings, we are pleased the proposals are nearing the point in the process during which they will be voted on by the members of this industry. From the beginning, our desire was to enhance the existing programs and create greater consistency between these two marketing orders and the state regulations governing the CA Plum Marketing Board. Public input was sought throughout the process and included mailings of the proposed changes, open discussion during business meetings and presentations to industry members during a series of district grower meetings. Accordingly, we felt confident all interested parties had fully considered the proposed changes and had provided any input they felt was appropriate. Since there was an absence of negative feedback during this process, the recommendations were presented to USDA for consideration.

Unfortunately, it seems the language of one proposal (Proposal 13) has concerned certain members of our industry at this late date despite our best efforts to develop consensus earlier in the process. The original intention of this proposal was to provide similar language for nectarines and peaches to what is already part of the state plum regulations and to create greater flexibility in case the market indicated the presence of an opportunity that could be addressed through the use of such regulatory authority. However, it seems the language used to achieve this goal may have been broader than intended by the Marketing Order Amendment Task Force. Although highly unlikely due to the process required to utilize this proposed authority, unintended consequences could theoretically result.

California
Tree Fruit Agreement
PO Box 968, 975 "1" Street
Reed ley, California 93654-0968

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Accordingly, we are writing to formally encourage USDA to remove Proposal 13 from consideration at this time. While we may wish to reconsider it in the future, we strongly feel it would be in the best interest of this industry, consumers and other interested parties if we not move forward with this one proposal. If we do decide to study the issue later, we will urge the other interested parties to take part in any and all discussions so as to avoid this situation again. In fact, we have encouraged the interested parties to get actively involved in the ongoing activities of the marketing orders as well. It is certainly better to be part of the process and avoid these types of situations when possible.

For your information, the signatories to this letter include the members of the Marketing Order Amendment Task Force (the group responsible for the original development of all the recommendations), the Chairman of the Nectarine Administrative Committee, the Chairman of the Peach Commodity Committee (also a member of the Task Force) and the industry member who provided testimony in support of Proposal 13 during the public hearings in February. CTFA staff members are also supportive of eliminating Proposal 13 from current consideration.

Again, thank you for your consideration and for this opportunity. If you have any questions, please feel free to contact us at your convenience.

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Best regards,

Mr. Wayne Brandt

Chairman, Peach Commodity Committee

Member, Marketing Order Amendment Task Force

Mr. Todd Barsoom

Chairman, Nectarine Administrative Committee

Mr. Rick Schellenberg

Member, Marketing Order Amendment Task Force Member, Nectarine Administrative Committee Ms. Kathleen Finn Page 3 April 4, 2005

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Mr. Cary Crum

Member, Marketing Order Amendment Task Force

Member, Peach Commodity Committee

Mr. John Tos

Member, Marketing Order Amendment Task Force Alternate Member, Peach Commodity Committee

Mr. Harold McClarty

Member Peach Commodity Committee